

PRECIOUS METAL REPORTING AND CUSTODIAL REQUIREMENT PROCEDURE

This procedure describes how the Laboratory handles Precious Metal inventory with custodial responsibilities.

1.0 APPROVAL RECORD

- Reviewed by: Document Control Coordinator (Hiliary Burns)
- Approved by: Purchasing and Property Manager (Andrea Spiker)
- Approved by: Chief Operations Officer (Mark Murphy)

The official approval record for this document is maintained in the Training and Documents office, 105 TASF.

2.0 REVISION/REVIEW INFORMATION

The revision description for this document is available from and maintained by the author.

3.0 PURPOSE AND SCOPE

This procedure has been developed to assist the Property Services Office and Precious Metals custodians with the requirements to maintain an accurate Precious Metals inventory.

The Laboratory is required to maintain a perpetual inventory of precious metals (non-alloyed metals) per DOE O580.1A. The Laboratory maintains stringent physical protection and inventory control to the nearest gram, rounded down, by lot number, for quantities greater than one gram and with a value not less than \$100 per metal, per custodian. Values less than this threshold may be maintained to aid in the preservation of historical or pedigree data, but it is not required.

4.0 DEFINITIONS

4.1 Precious Metals

Precious metals are defined as uncommon and highly valuable metals including gold, silver, platinum, palladium, rhodium, iridium, ruthenium and osmium.

4.2 Sensitive Property

Sensitive property is defined as property that would be potentially dangerous to public safety or security if stolen, lost or misplaced or that shall be subject to exceptional physical security, protection, control and accountability. Examples may include controlled substances, radioactive materials, hazardous materials or wastes, and precious metals (48 CFR Subpart 45.101).

5.0 ROLES AND RESPONSIBILITIES

5.1 Precious Metals Custodians

Precious Metals Custodians are responsible for the loss, damage, destruction or unauthorized use of precious metals in his or her custodianship. Only Laboratory group leaders or program directors may be designated as a custodian of precious metals.

5.2 Supervisor of Materials and Transportation

The Supervisor is responsible for maintaining the inventory system and transactions, including purchases, receipts, location transfers, and consumption.

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5.3 Property Storekeeper III

The Property Storekeeper III is responsible for conducting an annual physical inventory for 100% of inventory.

6.0 PROCEDURES

- 6.1 All precious metals are requisitioned through the Purchasing Office. Precious Metal requests are routed through Property Services to be classified as inventory or expense prior to purchase. If the Precious Metal is <1 gram with a value under \$100 the purchase will be coded as an expense and received in using the regular receipt process. If the Precious Metal is >1 gram and has a value more than \$100 the Precious Metal will be coded for inventory and will be directed to the Supervisor of Materials and Transportation upon receipt.
- Precious Metals acquired from the DOE Business Center for Precious Metals Sales and Recovery (BCPMSR) will be weighed upon receipt and delivered to the requestor. The requestor completes a [Precious Metals Transaction form](#). The Precious Metal will then be received into inventory by the Supervisor of Materials and Transportation at the DOE Transfer Voucher price confirmed by the transfer invoice from DOE. The DOE Transfer Voucher is provided by Accounting.
 - Precious Metal purchase from other than DOE BCPMSR will be weighed and delivered to the requestor. The requestor completes a [Precious Metals Transaction form](#). The Precious Metal will be received and entered into inventory at the value of the current on-hand inventory.
 - For Precious Metals purchased by the Materials Preparation Center (MPC), the MPC # will be included on the [Precious Metals Transaction form](#) for MPC's record-keeping.
- 6.2 Custodians will keep all precious metals securely locked when not in use and maintain a log of users, dates, purpose of use and lot numbers of metals used under their custodianship. Custodians will complete a [Precious Metals Transaction form](#) when using precious metals and turn the worksheet into the Supervisor of Materials and Transportation for inventory adjustment.
- 6.3 If a custodian wishes to turn in used or unused Precious Metals, the custodian submits a completed [Precious Metals Transaction form](#) and both the Precious Metals and the completed form shall be handed into the Supervisor of Materials and Transportation.
- If the Precious Metals are contaminated or alloyed as part of a mixed metal, the Precious Metal will be issued out of the custodian's inventory as consumed. Then, the Precious Metal will be added into storeroom stock using a scrap adjustment process.
 - If the Precious Metal is viable and can be used by others without any cleaning, the Precious Metal will simply be transferred from the custodian to the storeroom

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stock for future use.

- 6.4 Precious metals are physically inventoried to the nearest gram, rounded down, by lot number, and inventoried annually by Property Services' Storekeeper III.
- All [Precious Metals Transaction forms](#), by metal, should be turned in to the Supervisor of Materials and Transportation prior to an annual inventory to calculate an accurate start of inventory.
 - Metals in use should be listed on the physical inventory as observed or not observed, as applicable. Custodians will sign physical inventory sheets after the physical inventory has been completed. Inventory variances at annual physical and random inventories will be recorded on the [Precious Metals Transaction Form](#), subject to written justifications per property management regulations and Laboratory policy.
- 6.5 An annual justification of Precious Metals retention will be completed by each custodian after the physical inventory is completed. This will be approved by Program Directors or Department Managers and forwarded to the Supervisor of Materials and Transportation for record.